



PRESS-REGISTER

Court clears way for RSA to buy AmSouth building downtown

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By KATHY JUMPER

Real Estate Editor

The Retirement Systems of Alabama received court approval Tuesday to purchase the 34-story AmSouth building at 107 St. Francis St., for \$6.75 million, and will close on the sale next week, according to attorneys for the sellers and David Bronner, chief of the state's \$24 billion pension fund.

The owners of the 280,000-square-foot building in May filed for Chapter 11 bankruptcy protection, citing \$450,000 in late mortgage payments. The ownership group, Mobile Tower Limited Partnership, placed part of the blame on losing major tenants to RSA's new 35-story Battle House Tower, according to leasing agents.

"This is a great day for the present and future tenants," said Irving Silver of Silver, Voit & Thompson in Mobile, which represents the New York-based owners. "I would expect that a lot of people in the building trades will be put to work rather quickly" on building upgrades.

Once the sale is finalized, Bronner said, he will decide what has to be done to improve the circa 1965 building after meeting with Doster Construction Co., based in Birmingham, and Goodwyn Mills & Cawood, an architectural firm based in Montgomery with an office in Mobile.

"I'd like to hear what their dream is to make it better, and then I have to look at what we can do realistically," Bronner said. "Obviously, I'm a clean freak, and we have to look at not only cleaning up the building, but making sure we have all the basic necessities."

Bronner has said that he envisions Class B office space in the AmSouth building, a complement to the high-end, Class A space in RSA's newer downtown office building nearby. The AmSouth building, which has a 480-space parking garage, is across Royal Street from the Battle House Hotel.

RSA funded the \$200 million RSA Battle House Tower and adjacent 238-room Battle House Hotel project off Royal and Dauphin streets, which opened in May 2007. It paid \$11.8 million for the Riverview Renaissance Hotel, then spent \$60 million on renovations.

He said that he is in no rush to rename the AmSouth building, which in the past has been named for the structure's largest tenant. He's undecided on whether the building will have a spire like RSA's other downtown buildings.

The AmSouth building has about 100,000 square feet of available space, according to John Toomey of Toomey & Co., leasing manager for the building. The amount of space for lease "doesn't bother me," Bronner said.

The RSA tower has about two floors available for lease out of a total of 460,000 square feet of office space.

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